

TG/ ED / VO Small Business Procurement Program

<https://minnesota.feb.gov/programs/sadboc>

What is the TG/ED/VO Small Business Procurement Program?

The State of Minnesota Department of Administration's Office of State Procurement (OSP), <http://www.mmd.admin.state.mn.us/> operates a program for Targeted Group (TG), Economically Disadvantaged (ED) and Veteran-Owned (VO) small businesses, <http://www.mmd.admin.state.mn.us/mn02001.htm>. The commissioner of Administration periodically designates businesses that are majority-owned and operated by women, persons with a substantial physical disability, or specific minorities as targeted group businesses within purchasing categories as determined by the commissioner.

TG, ED and VO small businesses must be certified as such by OSP in order to participate in the program. Once certified, TG, ED and VO small businesses may be eligible for price preferences in selling their products or services or bidding on construction projects to the state. TG, ED and VO small businesses may be eligible to be counted towards subcontracting goals on construction projects and professional service contracts.

Benefits of the TG/ED/VO Small Business Procurement Program

Targeted Group, Economically Disadvantaged and Veteran-Owned vendors are added to the state's vendor list, and are listed in the Directory of Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendors, <http://www.mmd.admin.state.mn.us/process/search/>.

Certified Targeted Group small businesses

- May be eligible for up to 6% preference in selling their products or services or bidding on construction projects to the state in accordance with the Commissioner's designation of eligible businesses, <http://www.mmd.admin.state.mn.us/disparity/orders/table16C.pdf>.
- Subcontract with prime contractors for construction or consulting services.
- May also be eligible to participate in similar state-funded programs operated by the Minnesota Department of Transportation (MN/DOT) and several Metropolitan Agencies.

Certified Economically Disadvantaged small businesses

- May be eligible for up to 6% preference in selling their products or services or bidding on construction projects to the state.
- Subcontract with prime contractors for construction or consulting services.
- May also be eligible to participate in a similar state-funded program operated by the Minnesota Department of Transportation (MN/DOT).

Certified Veteran-Owned small businesses

- May be eligible for up to 6% preference in selling their products or services or bidding on construction projects to the state.
- Subcontract with prime contractors for construction or consulting services
- May also be eligible to participate in similar state-funded programs operated by the Minnesota Department of Transportation (MN/DOT) and several Metropolitan Agencies.

Eligibility criteria for the TG/ED/VO Small Business Procurement Program

Targeted Group small business

- The business must be at least 51% owned by a woman, racial minority, or person with a substantial physical disability.
- The business must be operated and controlled on a day-to-day as well as long-term basis by the qualifying owner. In other words, ownership is not enough; operational control is also required.
- The business must be Minnesota-based and small as set by the U.S. Department of Transportation, <http://www.mmd.admin.state.mn.us/sicsize.asp>.

Economically Disadvantaged small business

- The business must be located (or the owner must reside) in an Economically Disadvantaged Area in Minnesota, <http://www.mmd.admin.state.mn.us/lalist.htm>. These areas include labor surplus areas, as designated by the federal government and low income counties in Minnesota.
- The business must be Minnesota-based and small as set by the U.S. Department of Transportation, <http://www.mmd.admin.state.mn.us/sicsize.asp>.

Veteran-Owned small business

- The business must be at least 51% owned by a veteran or service-disabled veteran as determined by the Minnesota Department of Veterans Affairs, <https://mn.gov/mdva/resources/employment/veteransasbusinessowners.jsp>, or the U.S. Department of Veterans Affairs (Veteran Verification), <https://www.va.gov/osdbu/>.
- In addition, the business must be operated and controlled on a day-to-day as well as long-term basis by the qualifying owner. In other words, ownership is not enough; operational control is also required.
- The business must be Minnesota-based and small as set by the U.S. Department of Transportation, <http://www.mmd.admin.state.mn.us/sicsize.asp>.

Additional eligibility criteria for the above programs are contained in Minnesota Rules, Chapter 1230, <https://www.revisor.mn.gov/rules/?id=1230>. You may obtain a copy by calling the OSP HelpLine at 651-296-2600.

How to get certified as a TG/ED/VO Small Business Procurement Program

Complete the MN Department of Administration TG/ED/VO Small Business Procurement Program Application, <http://www.mmd.admin.state.mn.us/pdf/TGWebApp.pdf> and submit it to the Office of State Procurement (OSP) office in St. Paul, MN, along with the information required on the Supplemental Information Sheet that is attached to the application.

For more information

State of Minnesota Department of Administration's Office of State Procurement (OSP) website, <http://www.mmd.admin.state.mn.us/mn02001.htm>.

Additional information about the program and state purchasing can be obtained by contacting the OSP Helpline at mmdhelp.line@state.mn us or 651-296-2600.